

## SENATE BILL No. 566

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** None (noncode).

**Synopsis:** Medical informatics commission. Establishes the medical informatics commission. Requires the commission to conduct a study or contract for a study to be conducted on health care information and communication technology. Appropriates to the commission an amount sufficient to contract for the performance of the study. Requires the commission to provide biannual reports and a final report to the general assembly concerning a plan and recommendations on the creation, implementation, and maintenance of a health care information and communication technology system. Requires the commission to hold a public hearing before providing the final report to the general assembly. Requires the state department of health to provide staff for and pay the expenses of the commission.

**Effective:** July 1, 2005.

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**Dillon**

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January 20, 2005, read first time and referred to Committee on Economic Development and Technology.

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## SENATE BILL No. 566

A BILL FOR AN ACT concerning health and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. [EFFECTIVE JULY 1, 2005] (a) As used in this  
2       SECTION, "commission" means the medical informatics  
3       commission established by subsection (c).

4       (b) As used in this SECTION, "health care provider" means a  
5       licensed physician or an agent of a physician.

6       (c) The medical informatics commission is established.

7       (d) The commission consists of fourteen (14) members as  
8       follows:

9           (1) The commissioner of the state department of health or the  
10          commissioner's designee, who serves as chairperson of the  
11          commission.

12          (2) The director of the office of Medicaid policy and planning  
13          or the director's designee.

14          (3) The commissioner of insurance or the commissioner's  
15          designee.

16          (4) Two (2) licensed physicians who are actively engaged in  
17          the practice of medicine.



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(5) Two (2) individuals who are engaged in the administration of a hospital licensed under IC 16-21.

(6) One (1) individual who represents an insurer (as defined in IC 27-1-2-3) that issues or delivers a policy of accident and sickness insurance (as defined in IC 27-8-5-1).

(7) One (1) individual who represents a health maintenance organization (as defined in IC 27-13-1-19).

(8) One (1) individual who has legal expertise in matters concerning the privacy and security of health care information.

(9) One (1) member of the intelenet commission established by IC 5-21-2-1.

(10) One (1) individual who is engaged in the business of computer information technology.

(11) One (1) individual engaged in the business of health care information technology.

(12) One (1) individual from the business community.

The governor shall appoint the members of the commission designated by subdivisions (4) through (12). A member appointed to the commission by the governor serves a term of two (2) years.

(e) If a vacancy occurs on the commission, the governor shall appoint a new member to serve for the remainder of the unexpired term. A vacancy shall be filled from the same group that was represented by the outgoing member.

(f) The commission shall elect from the commission members a vice chairperson and a secretary.

(g) Except as provided in subsection (t), the state department of health shall:

- (1) provide administrative support for the commission; and
- (2) pay the expenses of the commission.

(h) Eight (8) members of the commission constitute a quorum for the transaction of all business of the commission. The affirmative votes of a majority of the voting members appointed to the commission are required for the commission to take action on any measure.

(i) A member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). A member is entitled to reimbursement for traveling expenses actually incurred in connection with the member's duties, as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

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(j) Each member of the commission who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided by the Indiana department of administration and approved by the budget agency.

(k) The commission shall:

(1) conduct a study; or

(2) contract for a study to be conducted; on health care information and communication technology in Indiana.

(l) The commission may request health care information and communication technology contractors to provide proposals for the performance of the study under subsection (k). The proposals must include:

(1) an organizational structure for the study; and

(2) the feasibility of obtaining a governmental or private grant to assist in funding the study.

(m) The commission may, with the approval of the budget agency, award a contract for the performance of the study under subsection (k) to a recognized expert in health care information and communication technology.

(n) The commission shall:

(1) identify and seek assistance from the major participants in health care delivery and reimbursement systems who would be affected by a uniform statewide health care information and communication technology system; and

(2) establish a plan for the creation of a uniform statewide health care information and communication technology system.

(o) The plan under subsection (n)(2) must include:

(1) a determination of:

(A) the feasibility of; and

(B) a plan for;

developing and implementing a health care information infrastructure system to be used by health care providers and other potential users;

(2) the identification of an organizational structure for:

(A) the development of an open, flexible, and interoperable technology infrastructure; and

(B) the continued operation and maintenance of the health care information and communication technology system recommended under this SECTION;

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**(3) an analysis of:**

**(A) an existing information technology system of a health care provider, a government agency, or a third party payor; and**

**(B) the feasibility of incorporating an existing system into the health care information and communication technology system recommended under this SECTION;**

**(4) the identification of an available governmental or private grant for the implementation of a health care information and communication technology system;**

**(5) a business plan for financing the development and maintenance of the technology infrastructure, including an available governmental or private grant;**

**(6) the identification of potential problems and recommended solutions regarding matters involving privacy, security, federal mandates or preemption, and antitrust laws;**

**(7) an analysis of the current capabilities of the public and private telecommunications systems in Indiana to support the type and volume of data transmission required by the health care information and communication technology system recommended under this SECTION; and**

**(8) a recommendation that considers the following features:**

**(A) A provision to guarantee security and privacy for all health care providers, patients, and potential users of the system.**

**(B) A provision for an interoperable personal health record, including a unique patient identifier.**

**(C) The demonstrable and measurable ability to:**

**(i) improve the quality of health care;**

**(ii) improve patient safety;**

**(iii) reduce medical errors; and**

**(iv) reduce duplication of health care services.**

**(D) The ability to gather, store, and recall data efficiently and cost effectively.**

**(E) The ability for health care providers and other potential users to quickly access reliable, evidence based, and current treatment guidelines, standards, and protocols.**

**(F) The ability to provide rapid point of care access to medical information.**

**(G) A provision to enhance public health through:**

**(i) population based epidemiological studies;**

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(ii) automatic notification of reportable diseases; and  
 (iii) maintenance of statutorily mandated and voluntarily  
 reported statistical databases and registries.

(H) A method for financing initial and continuing system  
 related costs of health care providers, including user fees.

(I) Other appropriate features.

(p) The commission shall:

(1) if a contract is awarded under subsection (m), oversee and  
 coordinate contractor performance; and

(2) provide to the general assembly:

(A) a biannual progress report before January 1 and July  
 1 of each year; and

(B) a final report not later than November 1, 2006.

(q) The commission's final report under subsection (p)(2)(B)  
 must:

(1) review the:

(A) study conducted by a recognized expert in health care  
 information and communication technology, if applicable;

or

(B) the commission's study; and

(2) make recommendations regarding creating and  
 implementing a plan for a health care information and  
 communication technology system as required under  
 subsection (n).

(r) The commission shall, before providing the final report  
 under subsection (p)(2)(B):

(1) issue drafts of the recommended final plan for public  
 review; and

(2) hold at least one (1) public meeting in a central location in  
 Indiana to receive public comments on the plan.

(s) The commission shall provide a report under subsection (p)  
 in an electronic format under IC 5-14-6 to the general assembly  
 through the legislative council.

(t) If the commission, with the approval of the budget agency  
 under subsection (m), awards a contract for the performance of the  
 study under subsection (k), there is appropriated to the health care  
 data commission from the state general fund an amount sufficient  
 to fund the contract beginning July 1, 2005, and ending November  
 1, 2006.

(u) This SECTION expires December 31, 2006.

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